



Patrick W. Henning, Director

April 24, 2008

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Arnold Schwarzenegger
Governor

Ms. Jacqueline Debets, Executive Director
Humboldt County Workforce Investment Board
520 E. Street
Eureka, CA 95501

Dear Ms. Debets:

**WORKFORCE INVESTMENT ACT
FISCAL AND PROCUREMENT REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2007-08**

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Humboldt County Workforce Investment Board's (HCWIB) Workforce Investment Act (WIA) grant financial management and procurement systems. This review was conducted by Mr. David Jansson from April 7, 2008, through April 11, 2008. For the fiscal portion of the review, we focused on the following areas: fiscal policies and procedures, accounting system, reporting, program income, expenditures, internal control, allowable costs, cash management, cost allocation, indirect costs, fiscal monitoring of subrecipients, single audit and audit resolution policies and procedures for its subrecipients and written internal management procedures. For the procurement portion of the review, we examined procurement policies and procedures, methods of procurement, procurement competition and selection of service providers, cost and price analyses, contract terms and agreements, and property management.

Our review was conducted under the authority of Section 667.410(b)(1), (2) & (3) of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by HCWIB with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding financial management and procurement for PY 2007-08.

We collected the information for this report through interviews with representatives of HCWIB, a review of applicable policies and procedures, and a review of documentation retained by HCWIB for a sample of expenditures and procurements for PY 2007-08.

BACKGROUND

The HCWIB was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery

system. For PY 2007-08, the HCWIB was allocated: \$409,474 to serve 117 adult participants; \$434,299 to serve 130 youth participants; and \$310,834 to serve 73 dislocated worker participants.

For the quarter ending December 31, 2007, the HCWIB reported the following expenditures and enrollments for its WIA programs: \$169,856 to serve 75 adult participants; \$89,487 to serve 108 youth participants; and \$89,297 to serve 61 dislocated worker participants.

FISCAL REVIEW RESULTS

We conclude that, overall, HCWIB is meeting applicable WIA requirements concerning financial management.

PROCUREMENT REVIEW RESULTS

We conclude that, overall, HCWIB is meeting applicable WIA requirements concerning procurement.

This report contains no findings or concerns; therefore, we are issuing this report as the final report.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is HCWIB's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Consequently, any deficiencies identified in subsequent reviews, such as an audit, would remain HCWIB's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Mr. David Jansson at (916) 654-7690.

Sincerely,



JESSIE MAR, Chief
Compliant Monitoring Section
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